

What's the big deal?

Journal purchasing – bulk buying or cherry-picking?

Overview of the Association of Subscription Agents Conference, London, 24-25 February 2003

This was the title of the annual conference of the Association of Subscription Agents held in London in February 2003 which provided a broad range of speakers and opinions on the 'big deal'. Tony Pearce, Chairman of the Ingenta Institute opened, claiming that both publishers and librarians consider the current consortial deals are a temporary phenomenon, mainly because the packages are too crude and inflexible. More choice is needed and budgets and usage statistics will become much more influential. Arjen Oudheusden of Swets Blackwell concurred with this, believing that the current models are unsustainable because the library is limited by their selection of choice. The small to medium size publishers don't necessarily have a competitive offer, and the large publishers don't increase their revenue or profit by offering more for less. Pay-per-view has an uncontrollable budget and inefficient repeat purchasing for the library, and no secure revenue stream for the publisher.

Reed Elfenbein of John Wiley believed that the big deal is an asset as the commitment to bigger and better collections encourages and enables usage, usage equals value, value drives demand, and demand equals market share. It also shifts the customer thinking on collection development from the old exclusive 'title by title' model, to a new inclusive database approach. David Kohl a consortial veteran from the University of Cincinnati claimed that in the worst budget cuts for US libraries for decades, the big deals have proved durable. The access to the materials is so important that even when central funding is reduced, local funding is coming in to replace this.

Sally Morris, Secretary-General of ALPSP talked about the consortial agreement that ALPSP have put together for their smaller publishers, and Hannah Walker of Ovid Technologies put the case for aggregators to provide the appropriate content from the appropriate publishers. Chuck Hamaker, of UNC Charlotte made his second visit and first starring appearance to the UK to call for increased levels of service from those publishers providing the big deals. As a university which participates in state, regional and local consortia and has over 50 local licences in addition, they spend a large proportion of their money on e-journals, but judge what they receive by the service they get. They will withhold payment until their e-journals are actually available, and feel that this should become the normal business model.

Ian Middleton of EBSCO UK went through the services which agents provide libraries through acquisition, providing access, administration, support and evaluation and monitoring, none of which are provided to the same level by a publisher in the big deal. Kari Stange of BIBSAM, the national Swedish consortium, asked for a simple purchasing model with access to all titles under similar terms, cost division based on user population, multi-year agreements and a price cap at inflation rate. She has problems distributing the costs amongst individual institutions which is still based on print, but should be based on relevance, usage statistics and transparent pricing models.

Neil Addison, the NEYAL Purchasing Officer at University of Newcastle, gave practical examples showing how VAT, more highly skilled staff, 24x7 support and higher access costs mean that there are no actual savings on the big deal. Knut Dorn of

Harrassowitz showed how the whole business is becoming more concentrated with 70% of the market share in the top six publishers and 20 agents in the mid-80s becoming just five in 2003. New agencies are not set up because investors see unsatisfactory margins, technology investments are prohibitive, and expansion from regional to global service is unlikely.

Liz McNaughton of *divine Information Services*

summed up showing that the need for intermediation between publishers and libraries was still great, and a recent survey showed that 85% or more of libraries still expected to use agents.

Marion Tattersall's and Chris Awre's papers are included in this issue; Diana Leitch's paper on how they have taken the radical step of removing all print copies of electronically available material will be in a future issue.